

Our Reference: 158831

22 October 2018

Company Announcements Office
ASX Limited
Level 40, Central Park
152-158 St Georges Terrace
PERTH WA 6000

Dear Sirs

Notice of Meeting and Proxy

Attached please find the MZI Resources Ltd (the Company) Notice of Annual General Meeting and Proxy Form dispatched to shareholders.

The abovementioned document will be available on the Company's website
www.mzi.com.au.

Yours sincerely

A handwritten signature in black ink, appearing to read "John Traicos".

John Traicos
Company Secretary

MZI RESOURCES LIMITED

ACN 077 221 722

NOTICE OF ANNUAL GENERAL MEETING

TIME: 10.00am (WST)

DATE: Thursday 22 November 2018

PLACE: Fraser Suites
10 Adelaide Terrace
East Perth, Western Australia, 6004

This Notice of Annual General Meeting should be read in its entirety.

If Shareholders are in doubt as to how they should vote, they should seek advice from their professional advisers prior to voting.

Should you wish to discuss the matters in this Notice of Meeting please do not hesitate to contact the Company Secretary on (+61 8) 9328 9800.

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TIME AND PLACE OF MEETING AND HOW TO VOTE

VENUE

The Annual General Meeting of the Shareholders to which this Notice of Meeting relates will be held at 10.00am (WST) on Thursday 22 November 2018 at:

Fraser Suites
10 Adelaide Terrace
East Perth, Western Australia, 6004

YOUR VOTE IS IMPORTANT

The business of the Annual General Meeting affects your shareholding and your vote is important.

VOTING IN PERSON

To vote in person, attend the Annual General Meeting on the date and at the place set out above.

VOTING BY PROXY

To vote by proxy, please follow the instructions in Section D and return by the time and in accordance with the instructions set out on the Proxy Form.

NOTICE OF ANNUAL GENERAL MEETING

Notice is given that an Annual General Meeting of Shareholders will be held at 10.00am (WST) on Thursday, 22 November 2018 at Fraser Suites, 10 Adelaide Terrace, East Perth WA 6004.

The Explanatory Statement provides additional information on matters to be considered at the Annual General Meeting. The Explanatory Statement and the Proxy Form are part of this Notice of Meeting.

The Directors have determined pursuant to Regulation 7.11.37 of the *Corporations Regulations 2001* (Cth) that the persons eligible to vote at the Annual General Meeting are those who are registered Shareholders at 4.00pm (WST) on Tuesday, 20 November 2018.

Terms and abbreviations used in this Notice of Meeting are defined in the Glossary.

AGENDA

A. ORDINARY BUSINESS

REPORTS AND FINANCIAL STATEMENTS

To receive and consider the Company's financial report, and the reports of directors and auditors, for the year ended 30 June 2018.

RESOLUTION 1 – REMUNERATION REPORT

To consider and, if thought fit, to pass, the following **advisory resolution** in accordance with section 250R(2) of the Corporations Act:

“That the Remuneration Report be adopted.”

Voting Prohibition: In accordance with the Corporations Act, the Company will disregard any votes cast on Resolution 1:

- (a) by or on behalf of a member of the Key Management Personnel details of whose remuneration are included in the Remuneration Report, or their Closely Related Parties, regardless of the capacity in which the votes are cast; or
- (b) by a person who is a member of the Key Management Personnel at the date of the Annual General Meeting, or their Closely Related Parties, as a proxy.

However, votes will not be disregarded if they are cast as a proxy for a person entitled to vote on Resolution 1:

- (a) in accordance with a direction as to how to vote on the Proxy Form; or
- (b) by the Chairman pursuant to an express authorisation to exercise the proxy even if this Resolution is connected directly or indirectly with the remuneration of the Key Management Personnel.

Note: This Resolution is advisory only and does not bind the Directors of the Company.

RESOLUTION 2 – RE-ELECTION OF MS MAREE ARNASON

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

“That Ms Maree Arnason, who retires in accordance with clause 11.7(a) of the Company's Constitution and being eligible, is re-elected as a Director.”

RESOLUTION 3 – ELECTION OF MR YUZI (ALBERT) ZHOU

To consider and, if thought fit to pass, with or without amendment, the following resolution as an ordinary resolution:

“That Mr Yuzi Zhou, who was appointed a Director on 8 March 2018, retires as a director in accordance with clause 11.3(a) of the Company's Constitution and being eligible, is elected as a Director.”

B. SPECIAL BUSINESS

RESOLUTION 4 – RE-APPROVAL OF EMPLOYEE INCENTIVE PLAN

To consider and, if thought fit, to pass the following resolution as an **ordinary resolution**:

*“That, for the purposes of ASX Listing Rule 7.2 (Exception 9(b)), sections 200B and 200E of the Corporations Act and for all other purposes, the Company re-approves the Company’s Employee Incentive Plan (**Incentive Plan**), as last approved by Shareholders on 24 November 2015, including the issue of securities under the Incentive Plan, a summary of which is included in the Explanatory Statement accompanying this Notice of Meeting.”*

Voting Prohibitions

A vote on Resolution 4 must not be cast by a person appointed as a proxy if:

- (a) the proxy is either:
 - (i) a member of the Key Management Personnel; or
 - (ii) a Closely Related Party of a member of the Key Management Personnel; and
- (b) the appointment does not specify the way the proxy is to vote on Resolution 4.

However, the above prohibition does not apply if:

- (a) the proxy is the Chairman of the AGM; and
- (b) the appointment expressly authorises the Chairman to exercise the proxy even though Resolution 4 is connected directly or indirectly with the remuneration of a member of the Key Management Personnel.

Voting Exclusion

The Company will disregard any votes cast in favour of Resolution 4 by or on behalf of a Director (except a Director who is ineligible to participate in any employee incentive scheme of the Company) or any associate of such a Director.

However, the Company will not disregard a vote if:

- (a) it is cast by a person who is a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form; or
- (b) it is cast by the Chairman of the AGM as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

C. MAJORITY REQUIRED FOR RESOLUTIONS TO BE PASSED

Resolution 1 is advisory only and a majority vote does not bind the Directors of the Company.

Resolutions 2, 3 and 4 are ordinary resolutions and will be passed if at least 50% of the votes on the particular resolution (either in person, proxy, attorney or by corporate representative) are in favour of that resolution.

D. PROXIES

Each Shareholder that is entitled to attend and vote at the Meeting is entitled to appoint a proxy. The proxy does not need to be a Shareholder. A Shareholder that is entitled to cast two or more votes may appoint not more than two proxies to attend and vote on their behalf. The person or persons so appointed need not necessarily be Shareholders. Where two proxies are appointed, each proxy should be appointed to represent a specified portion or number of the Shareholder’s voting rights (failing which each appointee will be entitled to cast half the Shareholder’s votes).

A Proxy Form together with instructions on how to complete the Proxy Form is attached.

To vote by proxy electronically:

- (a) Online:
At www.investorvote.com.au
- (b) By mobile:
Scan the QR Code on your proxy form and follow the prompts

To vote by proxy using the form enclosed, please complete and sign the form and return it by:

- (c) Mail to:
Computershare Investor Services Pty Limited
GPO Box 242 Melbourne
Victoria 3001 Australia; or
- (d) Facsimile to:
Within Australia 1800 783 447
Outside Australia +61 3 9473 2555
- (e) Custodian voting:
For Intermediary Online subscribers only (custodians) please visit www.intermediaryonline.com to submit your voting intentions

To be valid, properly completed Proxy Forms must be received by the Company no later than 48 hours before the Meeting.

A body corporate Shareholder may elect to appoint a representative, rather than appoint a proxy, in accordance with section 250D of the Corporations Act. Where a body corporate appoints a representative, the Company requires written proof of the representative's appointment to be lodged with or presented to the Company before the Meeting.

If you return your Proxy Form but do not nominate a representative, the Chairman of the Meeting will be your proxy and will vote on your behalf as you direct on the Proxy Form. If your nominated representative does not attend the meeting, then your proxy will revert to the Chairman of the Meeting and he will vote on your behalf as you direct on the Proxy Form.

The Chairman will vote undirected proxies in favour of Resolutions 2, and 3. In respect of Resolutions 1 and 4, Shareholders should refer to the important information below under the heading "Important information concerning proxy votes on Resolutions 1 and 4".

E. IMPORTANT INFORMATION CONCERNING PROXY VOTES ON RESOLUTIONS 1 AND 4

The Corporations Act places certain restrictions on the ability of Key Management Personnel and their Closely Related Parties to vote on the advisory resolution to adopt the Company's Remuneration Report and other Resolutions connected directly or indirectly with the remuneration of the Company's Key Management Personnel. Key Management Personnel of the Company are Directors and all other persons having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly. At this year's Annual General Meeting, these laws will impact on Resolutions 1 and 4.

For these reasons, Shareholders who intend to vote by proxy should carefully consider the identity of their proxy and are encouraged to direct their proxy as to how to vote on all Resolutions. In particular, Shareholders who intend to appoint the Company's Chairman as their proxy (including an appointment by default) are encouraged to direct the Chairman as to how to vote on all Resolutions.

If the Chairman of the AGM is appointed, or taken to be appointed, as your proxy, you can direct the Chairman to vote for, against or abstain from voting on Resolutions 1 and 4 by marking the appropriate box opposite each Resolution on the Proxy Form.

However, if the Chairman of the Meeting is your proxy and you do not direct the Chairman how to vote in respect of Resolution 1 or 4 on the Proxy Form, you will be deemed to have directed and expressly authorised the Chairman to vote your proxy **in favour** of those Resolutions even though they are connected directly or indirectly with the remuneration of a member of the Key Management Personnel for the Company.

The Chairman intends to vote undirected proxies in favour of all Resolutions.

If you appoint a member of Key Management Personnel of the Company (other than the Chairman) or their Closely Related Parties as your proxy, you must direct them how to vote on Resolutions 1 and 4. If you do not do so, you risk your vote not being cast.

DATED: 22 OCTOBER 2018

BY ORDER OF THE BOARD



JOHN TRAIICOS
COMPANY SECRETARY

EXPLANATORY STATEMENT

This Explanatory Statement has been prepared for the information of Shareholders in connection with the business to be conducted at the Annual General Meeting to be held at 10.00am (WST) on Thursday, 22 November 2018 at Fraser Suites, 10 Adelaide Terrace, East Perth WA 6004.

This purpose of this Explanatory Statement is to provide information which the Directors believe to be material to Shareholders in deciding whether or not to pass the Resolutions in the Notice of Meeting.

FINANCIAL STATEMENTS AND REPORTS

In accordance with the Constitution, the business of the Annual General Meeting will include receipt and consideration of the financial report of the Company for the financial year ended 30 June 2018 together with the declaration of the Directors, the Directors' report, the Remuneration Report and the auditor's report.

The Company's financial report is available on the Company's website at www.mzi.com.au.

RESOLUTION 1 – REMUNERATION REPORT

The Remuneration Report is in the Directors' report section of the Company's annual report.

By way of summary, the Remuneration Report:

- (a) explains the Company's remuneration policy and the process for determining the remuneration of its Directors and executive officers; and
- (b) sets out remuneration details for each Director and each of the Company's executives named in the Remuneration Report for the financial year ended 30 June 2018.

Overall remuneration policies are determined by the Board and are adapted to reflect competitive market and business conditions. The Chairman of the AGM will give Shareholders a reasonable opportunity to ask questions about or to make comments on the Remuneration Report.

The Corporations Act requires the Company to put a resolution to its members that the Remuneration Report be adopted. However, the vote on this Resolution is advisory only and does not bind the Directors or the Company.

If 25% or more of votes that are cast are voted against the adoption of the Remuneration Report at two consecutive annual general meetings, a resolution must then be put to Shareholders at the second of those annual general meetings, proposing the calling of a general meeting to consider the appointment of Directors of the Company (**Spill Resolution**).

If more than 50% of Shareholders vote in favour of the Spill Resolution, the Company must convene another general meeting of Shareholders within 90 days of the annual general meeting (**Spill Meeting**). All Directors who were in office at the date of the approval of the applicable Directors' report must stand for re-election at the Spill Meeting.

Given that less than 25% of votes that were cast at the Company's 2017 annual general meeting were voted against the adoption of the Company's 2017 remuneration report, regardless of the outcome of Resolution 1, no Spill Resolution will be put to Shareholders at the Meeting.

RESOLUTION 2 – RE-ELECTION OF MS MAREE ARNASON

Ms Maree Arnason, who was last elected on 24 November 2015 and retires in accordance with clause 11.7(a) of the Constitution and, being eligible for re-election, offers herself for re – election.

Details of Ms Arnason's experience and qualifications are set out below.

Qualifications: B. Arts, GAICD.

Term of Office: Director since 22 May 2015

Independent: Yes

Skills and experience Ms Arnason is an experienced director and senior executive, whose career has spanned 30 years in the resources, energy and manufacturing sectors with companies including BHP, Carter Holt Harvey and Wesfarmers and has significant leadership expertise working in complex corporate and project environments with a focus on risk and reputation.

Ms Arnason is a Non-Executive Director of Sandfire Resources NL, an ASX-200 copper mining and exploration company, a Co-Founder/Director of Energy Access Services, who operate an automated and independent WA-focused wholesale gas trading platform and a member of the Australian Securities and Investment Commission (ASIC) Director Advisory Panel.

An active contributor to the not-for-profit sector for 25 years, Ms Arnason is a member of CEDA's (Committee for the Economic Development of Australia) WA State Advisory Council, the Juniper Board - one of WA's largest aged care community benefit organisations and is a life member and past National Director of the Australia China Business Council.

Ms Arnason is Chair of MZI's Sustainability Committee and a member of the Nomination and Remuneration and the Audit and Risk Committees.

Directors' recommendation

The Board (excluding Ms Arnason) recommends that Shareholders vote in favour of Resolution 2.

RESOLUTION 3 – ELECTION OF MR YUZI (ALBERT) ZHOU

In accordance with clause 11.3(a) of the Constitution, Mr Yuzi (Albert) Zhou retires after being appointed on 8 March 2018, and being eligible for election, offers himself for election as a Director.

Details of Mr Zhou's experience and qualifications are set out below.

Qualifications: B.Eng.

Term of Office: Director since 8 March 2018

Independent: No. Nominated as a director by major shareholders Rich Mark Development Group Pty Ltd and Accent Resources NL

Skills and experience Mr Zhou is a qualified Engineer from the Beijing University of Science and Technology. Mr Zhou has over 33 years significant technical and commercial experience in iron and steel making, marketing of steel making raw materials and steel commodities, and project development. Mr. Zhou's work history includes senior roles with major Chinese steel group Shougang Iron & Steel Company, international trading group Itochu Corporation, Hamersley Iron, Rio Tinto Iron Ore, China Nickel Resources and Rich Mark. Mr Zhou acts as Executive Director and Vice President of Accent Resources NL and Rich Mark Development Group Pty Ltd.

Mr Zhou is a Non-executive Director of the Company.

Directors' recommendation

The Board (excluding Mr Zhou) recommends that Shareholders vote in favour of Resolution 3.

RESOLUTION 4 – RE-APPROVAL OF EMPLOYEE INCENTIVE PLAN

4.1 Background

The Board believes that the future success of the Company will depend in large part on the skills and motivation of the people employed in the business.

The Company's existing Employee Incentive Plan (**Incentive Plan**), which was last approved by Shareholders on 24 November 2015, forms part of MZI's remuneration policy for the Company's employees and is aimed at long term performance, employee share ownership in the business and retention of executives, employees and staff.

The Incentive Plan provides the Company with the flexibility to issue incentives in the form of Options or Performance Rights (**Incentives**) which may ultimately become Shares. In contrast to an Option, a Performance Right does not have an exercise price and therefore allows an employee to benefit by exercising their performance right upon satisfaction of their vesting conditions without needing to provide any cash consideration.

The Incentive Plan aims to align the interests of the Company's employees (and directors and consultants) with the interests of Shareholders, by linking the remuneration of employees and staff with the long term success of the Company.

A copy of the Incentive Plan may be obtained by contacting the Company Secretary by telephone at (+61 8) 9328 9800 or by email to admin@mzi.com.au.

4.2 Requirement for Shareholder approval

Listing Rule 7.1 provides that, subject to certain exceptions, a listed company may not issue or agree to issue equity securities in any 12 month period that exceed 15% of the number of securities the company has on issue, except with the prior approval of shareholders of the company in general meeting of the terms and conditions of the proposed issue.

Listing Rule 7.2 (Exception 9(b)) provides that Listing Rule 7.1 does not apply to an issue of securities under an employee incentive scheme if, within three years before the date of issue, shareholders have approved the issue of securities under the employee incentive scheme as an exception to Listing Rule 7.1.

As the Incentive Plan was last approved by Shareholders on 24 November 2015, Shareholders are again required to approve the Incentive Plan to enable the Company to rely on the exemption in Listing Rule 7.2 (Exception 9(b)).

Under Resolution 4, the Company seeks Shareholder approval to grant Incentives under the Incentive Plan from time to time during the three years from the date of the approval, without being required to count those securities as part of, and without reducing the number of securities the Company can issue under, the annual 15% limit prescribed by Listing Rule 7.1.

The Corporations Act also restricts the benefits which can be given to individuals who hold a managerial or executive office (as defined in the Corporations Act) on cessation of their employment with a company or its related bodies corporate. Under section 200B of the Corporations Act, a company may only give a person a “benefit” (as defined in the Corporations Act) in connection with their ceasing to hold a managerial or executive office in the company (or its related bodies corporate) if it is approved by shareholders in accordance with the requirements of section 200E of the Corporations Act or an exemption applies. A “benefit” includes automatic, or accelerated, vesting of share-based payments for a person on, or as a result of, retirement from office. Accordingly, the early vesting of Incentives upon cessation of employment may amount to the provision of a termination benefit for the purposes of the Corporations Act. Accordingly, Resolution 4 also seeks approval for the purpose of sections 200B and 200E of the Corporations Act, for any “termination benefit” that may be provided to a participant as a result of the early vesting of Incentives issued under the Incentive Plan.

4.3 Key features of the Incentive Plan

A summary of the key features of the Incentive Plan are set out below.

<i>Eligibility</i>	<p>The Incentive Plan is targeted at the Company’s executive directors, employees and other members of the Company’s management team (as determined by the Board from time to time).</p> <p>Any invitation to apply for incentives may be declined by an eligible employee.</p> <p>Any issue of Incentives to executive directors would still be subject to the prior approval of Shareholders.</p>
<i>Incentives</i>	The Incentive Plan provides the Board with the flexibility to grant Incentives in the form of Performance Rights and Options to eligible participants.
<i>Vesting conditions</i>	The vesting conditions for grants of Incentives under the Incentive Plan will be decided by the Board from time to time. Where appropriate, and where employees, such as senior management, can exercise significant influence over the Company’s business, the Board will establish policies on the vesting of Incentives using performance hurdles linked to long-term performance.
<i>Number of securities to be granted</i>	The number of Incentives to be granted under the Incentive Plan will be decided by the Board from time to time. However, the relevant ASIC Class Order places limits on the maximum number of securities which may be granted to employees under incentive plans.
<i>Exercise price</i>	<p>If the Board grants Performance Rights under the Incentive Plan, employees will not be required to pay any amount to the Company upon vesting.</p> <p>If the Board chooses to grant Options under the Incentive Plan, the exercise price of any Options granted under the Incentive Plan is at the absolute discretion of the Board and the Board will determine the exercise price from time to time.</p>
<i>Resignation by employee</i>	Under the terms of the Incentive Plan, Incentives which have not vested are forfeited if the employee resigns his or her employment with the Company, unless the Board determines otherwise.
<i>Takeover bid and change in control</i>	Incentives granted under the Incentive Plan automatically vest in the event that a takeover bid is made for the Company, or where there is a change in control of more than 50% of the Company.
<i>Dividend and voting rights</i>	Incentives granted under the Incentive Plan do not carry any dividend or voting rights.

4.4 Technical information required under ASX Listing Rule 7.2

In accordance with ASX Listing Rule 7.2, (Exception 9(b)), the following information is provided to Shareholders:

- (a) A summary of the terms of the Incentive Plan is set out in Annexure A to this Notice.
- (b) The total number of Incentives granted under the Incentive Plan since it was last approved is set out below:

Number	Type of incentive	Grant date
1,100,000	Performance Rights – Options Exercise Price - \$0.65 Expiry Date – 01/12/2019	01/12/2015
2,321,906*	Performance Rights	January 2018

* 1,225,959 Incentives lapsed due to performance objectives not being met.

- (c) A voting exclusion statement for Resolution 4 is included in the Notice.

4.5 Details of the termination benefits

Section 200E of the Corporations Act requires certain information to be provided to shareholders in approving a termination benefit. Whilst the value of the proposed termination benefits cannot currently be ascertained, the manner in which the value of the proposed termination benefits is calculated, and the matters, events and circumstances that will, or are likely to, affect the calculation of the value are outlined below.

The Incentive Plan terms set out how unvested Incentives can be treated if an employee leaves the Company (see Annexure A for the key terms of the Incentive Plan). For example, under the terms of the Incentive Plan, where a participant resigns from his or her employment with the Company before his or her Incentives have vested, the Board may exercise its discretion to determine that some or all of the Incentives will vest, and the basis on which vesting may occur (which may include, without limitation, timing and conditions). As noted above, the exercise of these discretions may constitute a “benefit” for the purposes of section 200B of the Corporations Act.

The value of the termination benefits that the Board may give under the Incentive Plan cannot be determined in advance. The value of a particular benefit will depend on factors such as the Company’s Share price at the time of vesting and the number of Incentives that the Board exercises its discretion to vest.

Some of the other factors that may affect the value of a particular participant’s termination benefits are as follows:

- (a) the participant’s length of service and the portion of any relevant performance periods that have expired at the time they leave employment;
- (b) the participant’s total fixed remuneration at the time grants are made under the Incentive Plan and at the time they leave employment; and
- (c) the number of unvested Incentives that the participant holds at the time they leave employment.

4.6 Directors’ recommendation

The Board (other than Martin Purvis who does not make a recommendation because he is eligible to participate in the Incentive Plan) recommends that Shareholders vote in favour of Resolution 4.

ENQUIRIES

Shareholders may contact the Company Secretary on (+61 8) 9328 9800 if they have any queries in respect of the matters set out in these documents.

GLOSSARY

AGM or **Annual General Meeting** or **Meeting** means the annual general meeting convened by this Notice.

ASIC means Australian Securities and Investments Commission.

Associate has the meaning given to that term in the ASX Listing Rules.

ASX means ASX Limited.

ASX Listing Rules means the Listing Rules of ASX.

Board means the current board of Directors of the Company.

Chairman means the chairman of the Meeting from time to time.

Closely Related Party has the meaning given to that term in the Corporations Act.

Company or **MZI** means MZI Resources Limited (ACN 077 221 722).

Constitution means the Company's constitution.

Corporations Act means the *Corporations Act 2001* (Cth).

Directors mean the current directors of the Company.

Explanatory Statement means the explanatory statement accompanying the Notice.

Incentive Plan means the Company's Employee Incentive Plan, re-approval of which is subject to Resolution 4.

Incentives means Options or Performance Rights the Company may issue under the Incentive Plan.

Key Management Personnel has the meaning given to that term in the Corporations Act.

Non-Executive Director means a non-executive Director of the Company.

Notice or **Notice of Meeting** means this notice of annual general meeting including the Explanatory Statement and the Proxy Form.

Option means an option to acquire a Share.

Performance Right means a performance right given to an eligible employee under the Incentive Plan.

Proxy Form means the proxy form accompanying the Notice.

Remuneration Report means the remuneration report for the year ended 30 June 2018 forming part of the Directors' report in the Company's 2018 financial report.

Resolutions means the resolutions set out in the Notice of Meeting, or any one of them, as the context requires.

Share means a fully paid ordinary share in the capital of the Company.

Shareholder means the registered holder of a Share.

WST means Western Standard Time as observed in Perth, Western Australia.

ANNEXURE A – KEY TERMS OF THE INCENTIVE PLAN

The key features of the Incentive Plan and the proposed terms of the Incentives which may be granted are summarised below. The Incentive Plan provides the Board with flexibility to grant Incentives as either Options or Performance Rights.

Eligible Employees: Full time or part time employees (including an executive Director) of the Company and any other person who is declared by the Board to be an eligible employee for the purposes of the Incentive Plan.

The Incentive Plan allows for Incentives to be granted to an eligible employee or their nominee.

Entitlement for Performance Rights: Subject to the terms of the Incentive Plan, vesting and the satisfaction of any performance conditions, each Performance Right entitles the holder to receive one fully paid ordinary Share in the Company.

Exercise price for Performance Rights: There is no consideration payable upon the grant or exercise of a Performance Right.

Entitlement for Options: Subject to the terms of the Incentive Plan, vesting and the satisfaction of any performance conditions, each Option entitles the holder on the exercise of the Option, to acquire (whether by purchase or subscription) and be allotted one fully paid ordinary Share in the Company.

Exercise price for Options: The exercise price of an Option will be determined by the Board in its absolute discretion.

Vesting conditions: The Board has the discretion at the time of the grant of an Incentive under the Incentive Plan to determine what (if any) vesting conditions need to be satisfied before the Incentives become capable of being exercised.

Vesting on change of control: Incentives that remain subject to a vesting condition immediately vest, are received or become exercisable by the Incentive holder in the event that a takeover bid is made for the Company, or another corporate transaction is pursued (such as a scheme of arrangement, selective capital return etc) which results in the bidder acquiring voting power of more than 50% of the Company.

The Board also has a general discretion to allow Incentives to immediately vest if the Board determines, acting in good faith and consistent with its fiduciary duties, that a person has obtained voting power which is sufficient to control the composition of the Board of the Company.

Incentives will lapse on their expiry date.

Vesting in other circumstances: The Board may permit a participant to exercise Incentives or have such Incentives vested, in other limited situations, such as where a resolution is passed approving the disposal of the Company's main undertaking or on the winding up of the Company.

Expiry Date: The Board may set out in an invitation to participate in the Incentive Plan the date and times when any Incentives lapse. The expiry date will be no later than 5 years after the date of grant.

Impact of cessation of employment: Treatment of Incentives on Cessation of Employment:

Cause	Incentives which have not vested	Incentives which have vested
Termination for ill health or death	Immediately lapse unless Board determines otherwise	May be exercised (in the case of ill health) by the Participant, or (in the case of death) by the Participant's personal representative, until the Incentive lapses
Termination for cause (e.g. fraud, dishonesty, material breach of obligations)	Immediately lapse unless Board determines otherwise	Immediately lapse unless Board determines otherwise
Termination by consent (e.g. resignation)	Immediately lapse unless Board determines otherwise	Are able to be exercised during the period 30 days after cessation of employment or a longer period allowed by the Board
Redundancy, constructive dismissal, other termination by Company not dealt with above	Incentives automatically vest and are able to be exercised during the period 30 days after cessation of employment or a longer period allowed by Board	Are able to be exercised during the period 30 days after cessation of employment or a longer period allowed by the Board

<i>Exercise into acquirer shares:</i>	Subject to the ASX Listing Rules, the Incentive Plan provides the Company with the ability to agree with any successful acquirer of the Company to an arrangement whereby Incentives will become exercisable or vest into shares of the successful acquirer or its parent in lieu of Shares. Any such exercise or vesting will be on substantially the same terms and subject to substantially the same conditions as the Incentive holder may exercise or vest Incentives to acquire Shares, but with appropriate adjustments to the number and kind of shares subject to the Incentives, as well as to any exercise price.
<i>Transferability:</i>	Incentives are only transferable with the prior written consent of the Board or by force of law upon death of the Incentive holder or upon bankruptcy of the Incentive holder.
<i>Right to participate in dividends:</i>	Incentives will not entitle the holder to any dividends (or Shares or rights in lieu of dividends) declared or issued by the Company.
<i>Adjustment for rights issues:</i>	The exercise price of Incentives (if applicable) will be adjusted in the manner provided by the ASX Listing Rules in the event that the Company conducts a rights issue prior to the lapse of the relevant Incentive.
<i>Other rights to participate in bonus issues, reorganisations and new issues etc:</i>	<p>If the Company completes a bonus issue during the term of an Incentive, the number of Shares the holder is then entitled to will be increased by the number of Shares which the holder would have been issued in respect of Incentives if they were exercised (in the case of Options) or are vested and are received (in the case of Performance Rights) immediately prior to the record date for the bonus issue.</p> <p>In the event of any reorganisation (including consolidation, subdivision, reduction or return) of the issued capital of the Company, the number of Incentives to which the holder is entitled or the exercise price of the Incentives (if applicable), or both as appropriate, will be adjusted in the manner provided for in the Listing Rules.</p> <p>Subject to the terms of the Incentive Plan and as otherwise set out above, during the currency of the Incentives and prior to their exercise (in the case of Options) or vesting and receipt (in the case of Performance Rights), the holder is not entitled to participate in any new issue of securities of the Company as a result of their holding the Incentives.</p>
<i>Listing:</i>	The Incentives will not be listed.
<i>Board discretion:</i>	Notwithstanding the Board's current policy, under the terms of the Incentive Plan, the Board has absolute discretion to determine the exercise price, the expiry date and vesting conditions of any grants made under the Incentive Plan, without the requirement for further Shareholder approval.



MZI Resources Ltd
ABN 52 077 221 722

Lodge your vote:



Online:
www.investorvote.com.au



By Mail:
Computershare Investor Services Pty Limited
GPO Box 242 Melbourne
Victoria 3001 Australia

Alternatively you can fax your form to
(within Australia) 1800 783 447
(outside Australia) +61 3 9473 2555

For Intermediary Online subscribers only
(custodians) www.intermediaryonline.com

For all enquiries call:
(within Australia) 1300 763 480
(outside Australia) +61 3 9415 4858

MZI
MR SAM SAMPLE
FLAT 123
123 SAMPLE STREET
THE SAMPLE HILL
SAMPLE ESTATE
SAMPLEVILLE VIC 3030

Proxy Form

XX



Vote and view the annual report online

- Go to www.investorvote.com.au or scan the QR Code with your mobile device.
- Follow the instructions on the secure website to vote.

Your access information that you will need to vote:

Control Number: 9999999

SRN/HIN: I9999999999 PIN: 99999

PLEASE NOTE: For security reasons it is important that you keep your SRN/HIN confidential.



For your vote to be effective it must be received by 10:00am (WST) Tuesday, 20 November 2018

How to Vote on Items of Business

All your securities will be voted in accordance with your directions.

Appointment of Proxy

Voting 100% of your holding: Direct your proxy how to vote by marking one of the boxes opposite each item of business. If you do not mark a box your proxy may vote or abstain as they choose (to the extent permitted by law). If you mark more than one box on an item your vote will be invalid on that item.

Voting a portion of your holding: Indicate a portion of your voting rights by inserting the percentage or number of securities you wish to vote in the For, Against or Abstain box or boxes. The sum of the votes cast must not exceed your voting entitlement or 100%.

Appointing a second proxy: You are entitled to appoint up to two proxies to attend the meeting and vote on a poll. If you appoint two proxies you must specify the percentage of votes or number of securities for each proxy, otherwise each proxy may exercise half of the votes. When appointing a second proxy write both names and the percentage of votes or number of securities for each in Step 1 overleaf.

A proxy need not be a securityholder of the Company.

Signing Instructions for Postal Forms

Individual: Where the holding is in one name, the securityholder must sign.

Joint Holding: Where the holding is in more than one name, all of the securityholders should sign.

Power of Attorney: If you have not already lodged the Power of Attorney with the registry, please attach a certified photocopy of the Power of Attorney to this form when you return it.

Companies: Where the company has a Sole Director who is also the Sole Company Secretary, this form must be signed by that person. If the company (pursuant to section 204A of the Corporations Act 2001) does not have a Company Secretary, a Sole Director can also sign alone. Otherwise this form must be signed by a Director jointly with either another Director or a Company Secretary. Please sign in the appropriate place to indicate the office held. Delete titles as applicable.

Attending the Meeting

Bring this form to assist registration. If a representative of a corporate securityholder or proxy is to attend the meeting you will need to provide the appropriate "Certificate of Appointment of Corporate Representative" prior to admission. A form of the certificate may be obtained from Computershare or online at www.investorcentre.com under the help tab, "Printable Forms".

Comments & Questions: If you have any comments or questions for the company, please write them on a separate sheet of paper and return with this form.

**GO ONLINE TO VOTE,
or turn over to complete the form →**

MR SAM SAMPLE
FLAT 123
123 SAMPLE STREET
THE SAMPLE HILL
SAMPLE ESTATE
SAMPLEVILLE VIC 3030



Change of address. If incorrect, mark this box and make the correction in the space to the left. Securityholders sponsored by a broker (reference number commences with 'X') should advise your broker of any changes.



I 9999999999

I ND

Proxy Form

Please mark ☒ to indicate your directions

STEP 1

Appoint a Proxy to Vote on Your Behalf

XX

I/We being a member/s of MZI Resources Ltd hereby appoint



the Chairman
of the Meeting **OR**



PLEASE NOTE: Leave this box blank if you have selected the Chairman of the Meeting. Do not insert your own name(s).

or failing the individual or body corporate named, or if no individual or body corporate is named, the Chairman of the Meeting, as my/our proxy to act generally at the Meeting on my/our behalf and to vote in accordance with the following directions (or if no directions have been given, and to the extent permitted by law, as the proxy sees fit) at the Annual General Meeting of MZI Resources Ltd to be held at Fraser Suites, 10 Adelaide Terrace, East Perth, Western Australia on Thursday, 22 November 2018 at 10:00am (WST) and at any adjournment or postponement of that Meeting.

Chairman authorised to exercise undirected proxies on remuneration related resolutions: Where I/we have appointed the Chairman of the Meeting as my/our proxy (or the Chairman becomes my/our proxy by default), I/we expressly authorise the Chairman to exercise my/our proxy on Resolutions 1 and 4 (except where I/we have indicated a different voting intention below) even though Resolutions 1 and 4 are connected directly or indirectly with the remuneration of a member of key management personnel, which includes the Chairman.

Important Note: If the Chairman of the Meeting is (or becomes) your proxy you can direct the Chairman to vote for or against or abstain from voting on Resolutions 1 and 4 by marking the appropriate box in step 2 below.

STEP 2

Items of Business



PLEASE NOTE: If you mark the **Abstain** box for an item, you are directing your proxy not to vote on your behalf on a show of hands or a poll and your votes will not be counted in computing the required majority.

		For	Against	Abstain
Resolution 1	Remuneration Report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 2	Re-election of Ms Maree Arnason	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 3	Election of Mr Yuzi (Albert) Zhou	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 4	Re-approval of Employee Incentive Plan	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

The Chairman of the Meeting intends to vote undirected proxies in favour of each item of business. In exceptional circumstances, the Chairman of the Meeting may change his/her voting intention on any resolution, in which case an ASX announcement will be made.

SIGN

Signature of Securityholder(s) *This section must be completed.*

Individual or Securityholder 1

Sole Director and Sole Company Secretary

Securityholder 2

Director

Securityholder 3

Director/Company Secretary

Contact
Name

Contact
Daytime
Telephone

_____ / _____ / _____

Date

MZ I

2 4 1 3 0 6 A

Computershare +